SOCIAL SERVICES CENTRAL TRUST ACCOUNT

FINANCIAL STATEMENTS

For the Year Ended March 31, 2001

Provincial Auditor Saskatchewan

1500 Chateau Tower
1920 Broad Street
Regina, Saskatchewan
S4P 3V7

SASKATCHEWAN

Phone: (306) 787-6398
Fax: (306) 787-6383
Internet e-mail: info@auditor.sk.ca

101-06676/

AUDITOR'S REPORT

To the Members of the Legislative Assembly of Saskatchewan

I have audited the statement of net assets available for beneficiaries of the Social Services Central Trust Account as at March 31, 2001 and the statement of changes in net assets available for beneficiaries for the year then ended. The Trust Account's management is responsible for preparing these financial statements for Treasury Board's approval. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the net assets available for beneficiaries of the Social Services Central Trust Account as at March 31, 2001 and the changes in its net assets available for beneficiaries for the year then ended in accordance with Canadian generally accepted accounting principles.

Regina, Saskatchewan
July 27, 2001

Fred Wendel, CMA, CA
Acting Provincial Auditor

SOCIAL SERVICES CENTRAL TRUST ACCOUNT
STATEMENT OF NET ASSETS AVAILABLE FOR BENEFICIARIES
As at March 31

	Armour Trust	Balison Trust	Total 2001	Total 2000
ASSETS				
Due from General Revenue Fund (Note 3)	$ 18,090	$ 127,900	$ 145,990	$ 188,067
Accrued interest	254	1,796	2,050	2,351
Accounts receivable	—	13,932	13,932	—
	$ 18,344	$ 143,628	$ 161,972	$ 190,418
LIABILITIES	—	—	—	—
Net assets available for beneficiaries (Statement 2)	$ 18,344	$ 143,628	$ 161,972	$ 190,418

(See accompanying notes to the financial statements)

Statement 2

SOCIAL SERVICES CENTRAL TRUST ACCOUNT
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFICIARIES
Year Ended March 31

	Armour Trust	Balison Trust	Total 2001	Total 2000
Increase in assets				
- Interest	$ 1,137	$ 8,613	$ 9,750	$ 8,996
- Estate distributions	2,250	—	2,250	—
Decrease in assets				
- to or on behalf of children	—	(40,446)	(40,446)	(3,723)
Net increase (decrease) in assets	3,387	(31,833)	(28,446)	5,273
Net assets available for beneficiaries, beginning of year	14,957	175,461	190,418	185,145
Net assets available for beneficiaries, end of year (to Statement 1)	$ 18,344	$ 143,628	$ 161,972	$ 190,418

(See accompanying notes to the financial statements)

SOCIAL SERVICES CENTRAL TRUST ACCOUNT
NOTES TO THE FINANCIAL STATEMENTS
March 31, 2001

1. Authority and Purpose of Trust

The Social Services Central Trust Account was established under Section 13 of *The Department of Social Services Act.*

In accordance with Section 15 of *The Department of Social Services Act,* the Department administers funds received from the Armour and Balison Estates.

The Armour Trust has a 1/4 interest in the Armour Estate. Canada Trust is the executor and therefore administers the Armour Estate. The Armour Estate owns a ½ interest in real estate situated between the Regina city limits and the IPSCO steel mill. The land is presently rented for farming purposes. The Armour Trust receives its share of farm land rent from the Armour Estate. The trust funds are held on behalf of Dales House, an institution operated by the Department of Social Services.

At March 31, 2001 the Armour Trust's share of the fair market value of assets in the Armour Estate consisted of cash and short-term notes $44,432 (2000 - $45,628), and real estate $18,100 (2000 - $18,100).

The Balison Trust consists of income from and sales proceeds of property held by the Balison Estate. Canada Trust was the executor and therefore administered the Balison Estate. The trust funds are held on behalf of the Saskatchewan Youth in Care Network.

The assets in the Balison Estate have all been distributed to beneficiaries.

2. Significant Accounting Policies

These financial statements are prepared in accordance with Canadian generally accepted accounting principles.

Estate distributions to the trusts are recorded as an increase in Net assets available for beneficiaries in the period they are distributed.

3. Due From General Revenue Fund

The trust funds are included in the Consolidated Offset Bank Concentration (COBC) arrangement for the Government of Saskatchewan.

Interest earned is calculated and paid by the General Revenue Fund on a quarterly basis into the Trust's bank account using the Government's 30 day borrowing rate and the Trust's average daily bank account balance. The Government's average thirty day borrowing rate for the year is 5.59% (2000 - 4.79%).

4. Related Party Transactions

In accordance with established government practice, the Trust Account has not been charged with any occupancy costs and no provision for such costs is reflected in these statements. These costs, together with certain general administrative and employee benefit costs, are absorbed by the Department of Social Services' appropriation.

5. Financial Instruments

Financial instruments consist of amounts due from general revenue fund, accrued interest and accounts receivable. There are no significant terms and conditions related to the financial instruments that may affect the amount, timing and certainty of future cash flows. The fair value of these instruments approximates carrying value due to their immediate or short-term maturity.